

Executed in 5 Counterparts of
which this is Counterpart No. 4.

6669

RECORDATION NO. _____
JUL 1 1972 10:25 AM
OFFICE OF THE COMMERCE

THIS AGREEMENT, dated as of July 1, 1972, by and between
GEORGIA INDUSTRIAL REALTY COMPANY, a Georgia corporation (the
"Vendor"), and SOUTHERN RAILWAY COMPANY, a Virginia corporation
(the "Vendee"),

W I T N E S S E T H: THAT

WHEREAS, by Purchase Order No. 115394 dated March 30,
1972, Vendee contracted with Greenville Steel Car Company to build
125 - 100-ton 7500 cu. ft. capacity Woodchip Hopper Cars to bear
Vendee's road numbers 133450 to 133574, inclusive, and by Purchase
Order No. 115657 dated April 28, 1972, Vendee contracted with
Thrall Car Manufacturing Company to build 100 - 100-ton 61' Bulk-
head Flat Cars to bear Vendee's road numbers 114350 to 114449,
inclusive (such Purchase Orders hereinafter called "Purchase Orders"
and such cars hereinafter called "Cars"); and

WHEREAS, the builders of the Cars are, under the terms of
the Purchase Orders, to deliver the Cars to Vendee at Georgetown,
Kentucky, freight charges prepaid; and

WHEREAS, inasmuch as Vendee has not as yet consummated
financing arrangements for the acquisition of the Cars, it is not
in a position to accept delivery of and pay for the Cars under
the terms of the Purchase Orders at this time; and

WHEREAS, Vendee represents that such financing arrangements will be consummated on or before December 1, 1972, and Vendee, in order that it may use the Cars pending completion of the above financing arrangements, has requested Vendor to take an assignment of Vendee's rights to receive and purchase the Cars under the Purchase Orders, to purchase the Cars on delivery and to give Vendee temporary custody and possession of the Cars, solely as a lessee of the Cars; and

WHEREAS, Vendor is willing to accept such assignment, and to purchase and lease the Cars upon the terms and conditions herein-after stated;

NOW, THEREFORE, in consideration of the premises and of the promises of the parties herein contained, the parties agree as follows:

1. Vendee hereby assigns to Vendor its rights to receive and purchase the Cars under the Purchase Orders and Vendor hereby accepts such assignment and designates the Vendee as its agent to accept delivery of the Cars.

2. Vendor agrees to lease the Cars to Vendee and Vendee agrees to hire the Cars from Vendor at the delivery point above referred to. The rights of Vendee hereunder in respect of each Car shall commence on the date of acceptance of such Car as agent for the Vendor and end on the earlier of December 1, 1972, or the date of payment of the purchase price of such Car under the above financing arrangements. Vendee shall purchase the Cars from Vendor

or provide a purchaser therefor on or before December 1, 1972, and Vendor shall sell the Cars to Vendee or such purchaser as Vendee may provide, at the purchase price as set in the Purchase Orders, and its obligation so to do shall be absolute, regardless of the condition of the Cars at such time. When the purchase price of any Car has been paid this Agreement shall automatically be terminated with respect to such Car without further action by or notice to any party concerned. On delivery of each Car to Vendee, Vendee will assume the responsibility and risk of loss with respect to such car.

3. Title to the Cars shall remain in Vendor and Vendee's right and interest therein is and shall be solely that of possession, custody, and use as lessee under this Agreement. Transfer of title shall be effected only at the time of delivery of the bills of sale. Vendee shall do such acts as may be required by law, or reasonably requested by Vendor, for the protection of Vendor's title to and interest in the Cars.

4. As rental for the Cars Vendee agrees to pay in cash to Vendor upon the termination of this Agreement the sum of \$1.00.

5. Vendee agrees that it will permit no liens of any kind to attach to the Cars, and that it will (a) indemnify and save harmless Vendor from any and all claims, expenses, or liabilities of whatsoever kind, and (b) pay any and all taxes, fines, charges, and penalties that may accrue or be assessed or imposed upon the Cars or the Vendor because of its ownership or

because of the use, marking, operation, management or handling of the Cars by Vendee during the term of this Agreement.

6. Vendee will, at its own expense, keep and maintain the Cars in good order and running condition and will at its option repair or replace or promptly pay to Vendor the purchase price in cash of those cars which may be damaged or destroyed by any cause during the term that this Agreement applies to such Cars.

7. Prior to the delivery of the Cars to Vendee there shall be plainly, distinctly, permanently, and conspicuously marked and maintained by the Vendee upon each side of each Car in letters not less than one-half inch in height the following words:

"OWNED BY A BANK OR TRUST COMPANY UNDER A FINANCING AGREEMENT
RECORDED WITH THE INTERSTATE COMMERCE COMMISSION UNDER
SECTION 20c OF THE INTERSTATE COMMERCE ACT."

8. Vendor shall have the right to assign its rights under this Agreement or under the Purchase Orders pursuant to the financing arrangements referred to above.

9. Vendor shall have no obligation to warrant the condition of the Cars but agrees to pass to Vendee or Vendee's nominee the builders' warranties on the Cars.

ATTEST:

... *R. D. Allen* ...
Assistant Secretary.

GEORGIA INDUSTRIAL REALTY COMPANY,
By

... *W. C. Dace* ...
Vice President.

ATTEST:

... *R. D. Allen* ...
Assistant Secretary.

SOUTHERN RAILWAY COMPANY,
By

... *K. A. Seaton* ...
Vice President.

DISTRICT OF COLUMBIA.

On this 31st day of July, 1972, before me personally appeared
N. C. Pace , to me personally known, who, being by me duly
sworn, says that he is a Vice President of Georgia Industrial Realty
Company, that one of the seals affixed to the foregoing instrument is
the corporate seal of said corporation, that said instrument was signed
and sealed on behalf of said corporation by authority of its Board of
Directors and he acknowledged that the execution of the foregoing
instrument was the free act and deed of said corporation.

.....
Lawrence A. Huff
Notary Public
in and for the District of Columbia
My commission expires June 30, 1977.

DISTRICT OF COLUMBIA.

On this 31st day of July, 1972, before me personally appeared
K. A. Stoecker , to me personally known, who, being by me duly
sworn says that he is a Vice President of Southern Railway Company, that
one of the seals affixed to the foregoing instrument is the corporate
seal of said corporation, that said instrument was signed and sealed on
behalf of said corporation by authority of its Board of Directors and he
acknowledged that the execution of the foregoing instrument was the free
act and deed of said corporation.

.....
Lawrence A. Huff
Notary Public
in and for the District of Columbia
My commission expires June 30, 1977.